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ARIZONA LABOR MARKET INFORMATION NEWSLETTER

Vol. X No. 2
February 1986

Unemployment Rate

Seasonally Adjusted
December*

ARIZONA	6.5%
Maricopa Co.	5.2%
Pima Co.	5.6%
UNITED STATES	6.9%

Consumer Price Index

National-December
1967 - Base Year

Wage Earner/Clerical Worker -	323.4
% Chg. Yr. Ago	3.6
All Urban -	327.4
% Chg. Yr. Ago	3.8

Phoenix-4th Qtr.
1977 - Base Year

All Urban -	191.5
% Chg. Yr. Ago	3.9

Producer Price Index

National-December*
1967 - Base Year

All Commodities	310.2
% Chg. Yr. Ago	0.1
Finished Goods	297.2
% Chg. Yr. Ago	1.8

* Preliminary

Comparable Worth:
The Road to Pay Equity?

This issue of the Newsletter will feature two articles on comparable worth. The first, "Some Opinions and the Minnesota Experience," is a "pro" article written by Nancy Augustin, editor of this Newsletter. It focuses on the Pay Equity Conference which was held in Phoenix last November.

The second article, "An Economist and a Feminist Look at Comparable Worth," is a "con" article written by Dr. Sharon Bernstein Megdal, an assistant professor of economics at the University of Arizona (U of A), who is currently filling a governor-appointed term on the Arizona Corporation Commission. She is joined by Sheila Tobias, an active feminist and a visiting scholar in political science at the U of A.

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Arizona Labor Market Information Newsletter
WINNER OF THE ICESA 1985 LMI PUBLICATION AWARD

Nancy Augustin, editor
Processed by RA Clerical Support Unit

Pay Equity: Some Opinions and the Minnesota Experience

Most people would agree that a woman working in the same firm as a given man; doing a job which requires equal skill, effort, and responsibility; and performing under similar working conditions, should be paid the same wage as the man. In 1963, Congress passed the Equal Pay Act to ensure that this would be the case. How did this act come about? Certainly, paying women less than men for "equal" work had been acknowledged and recognized for a mostly-male legislative body to put such a law on the books. The question is, though, how effective has it been?

Most interpretations of the U.S. law, in effect, require that two jobs have equal scores on each of the compensable factors of skill, effort, responsibility, and working conditions to be considered equal under the law. Therefore, the Equal Pay Act only applies in those situations where sex-based discrimination is blatantly obvious. It is much less flexible than a related law in Canada which considers two jobs equal under the law if the composite of the scores on the four factors is equal. Since Canada adopted this law in spring 1978, employees in the federal government and publicly-chartered industries, in effect, have a "comparable worth" or "pay equity" system determining their wages. In Australia, where minimum wages are set for most organizations by state and federal wage boards, the Federal Tribunal adopted a policy of equal pay for work of equal value in 1975.

Here in the U.S., however, 16 years after passage of the Equal Pay Act, the accepted slogan "equal pay for equal work" has not yet evolved into the more progressive and realistic "equal pay for work of equal value." In fact, the latter slogan--the watchwords of comparable worth or pay equity advocates--is considered by many men and women in the U.S. as a left-wing, radical idea. Even the Reagan Administration felt the need to flippantly disregard comparable worth as "the looniest idea since looney tunes." Another question then, is: why such a high-pitched reaction?

In an attempt to answer some of these questions, the Phoenix Women's Commission sponsored a Pay Equity Conference on November 13, 1985. Anything but a forum on "left-wing" ideas, the conference featured three compensation experts, one economist, and the director of Women's Studies at Arizona State University (ASU) as speakers.

The purpose of this article is to select from the four hours of speeches, presentations, and questions, the essence of what was said. A great deal of information has been condensed; information that led the conference speakers to vote four-to-one in favor of comparable worth. The clear consensus was that "equal pay for work of equal value" to employers is the only sensible way to go.

Why? Dr. Nancy Felipe Russo, director of Women's Studies at ASU, pointed out that "it's good business for employers to be sensitive about how their female employees feel about their jobs, in part because every other worker in the workplace is a woman. Women are beginning to feel that their wages are low because they are in occupations filled mostly by women."

She emphasized that pay equity is the goal of eliminating sex-based discrimination in the workplace; that the purpose of the conference was to examine what strategies are available--comparable worth being only one of them.

In looking at the "trend" of women moving into the workplace, she said, "This is not so much the case as that they did not move out of it. Women do not drop out of the workforce like they used to." She added, "While women are moving slowly into traditionally male-dominated jobs, they are moving into traditionally female-dominated jobs at a much faster pace. Occupations have been and, to a large extent, will continue to be highly segregated by sex. We must look into why female-dominated positions pay less."

She also talked about the feminization of poverty, saying "This is why we care. Women are poor. Part of the reason for this is that they make less money than men. Even with similar qualifications, they do not have a man's salary when they work. And when you are poor, it follows you throughout your life."

She mentioned the rationalization process. "People like to be fair. 'If something is happening, it must be right. Women must deserve to be paid less since they are being paid less. People also say 'pay equity will cost billions of dollars!' This is not good enough. We want to know who it will cost and how much.

She ended her opening remarks with some thoughts on the baby boom generation. "More jobs were created due to them, and now there will be high demand for people to fill these jobs as baby boomers retire, etc. Employers will not any longer be able to treat women and minorities in a cavalier fashion."

These remarks were followed by a presentation by Nina Rothchild, commissioner of employee relations for the state of Minnesota. She is responsible for the administration of the state Civil Service System, as well as for labor relations, and played a key role in implementing the comparable worth plan for state employees that was in place as of 1983.

Before discussing how pay equity works in practice, she spoke a little about the politics. "It is strange that although there are already some existing pay equity systems, there are still people who say 'if pay equity happens, then this will happen.' The political issue is, how do you deal with the politics of change? Because what we are doing is basically changing the way people perceive the value of work and how people are paid. You must keep in mind that we were analyzing the structure of the pay system, that we were not doing individual comparisons. Also, keep in mind that most of the 'con' arguments are hypothetical--if...then. Take it from a practitioner, most others disagree in 'principle.'"

She said she hears over and over, how do you compare apples and oranges? "In fact, you can compare apples and oranges a number of ways. All you have to look for are common characteristics or elements that different kinds of food have to some extent--weight, number of calories, number of carbohydrates, protein, etc. Basically, job evaluation is the same thing. You look at jobs and identify characteristics that are common to all jobs, present to a greater or lesser extent, whether it be a governor of a state or a custodian cleaning a building."

Minnesota has a job evaluation system that was developed by Pay Associates, a management consulting firm which has been doing this for 30 or 40 years. Rothchild pointed out that there is nothing new or complex about the concept behind job evaluation--"it has been around for about 50 years." Pay Associates used the Hay System of common characteristics for the Minnesota pay system. They are:

1. Know-how: "Which is a word they use for the knowledge and skills required for the job."

2. Problem Solving: "How routine is the job; does the job require figuring out what to do in order to solve a problem."

3. Accountability: "In many ways, asks how many things go wrong if you mess up; the results, the impact of the work. For example, if you are a custodian and forget to empty a wastebasket, it is not that big a deal. But if you are a fiscal analyst at the Department of Revenue and you miscalculate your tax receipts by $10 million, that has a substantial impact on the state's budget."

4. Working Conditions: e.g., the comfort and safety of the workplace.

Rothchild added that this is a simplified version of the subfactors, that you need to be well trained, follow certain procedures, use guide charts, and so on. She also re-

minded the group that "You are not evaluating individuals--you are looking at the functions of the job. You take the job description or the plan specifications for the Civil Service System, and you look at the functions of that job in relation to guide charts, and you see what level it is; e.g., how much know-how does a given job require? You do that for each of the factors, add them up, and what you end up with is a number that, in a way, measures the 'size' of the job. We live in a society where we think in terms of levels of work, and in many ways we pay on the basis that we assume in this society that some people get paid more than others. Jobs that require more knowledge, problem solving, accountability, and adverse working conditions should pay higher than those which add up to a lesser number of points. In general, this should be the case."

Speaking of the pre-comparable worth days of their pay system, "What was so compelling for us when we looked at the state of Minnesota, which has 35,000 state employees and about 1,600 different job classes, was that we found that the jobs were heavily segregated by sex. Only about 15 percent of our job classes are sex integrated. The identified job classes were either male job classes or female job classes, simply by the people who work in those classes. We found that absolutely, consistently, without exception, that the job classes where females were most of the workers were paid less than their points would indicate."

Now she went to the graph to illustrate Minnesota's pay practices in 1981. (See Figure 1.) "For every job title you have two numbers, (1) one which gives the measure of "value" of the job, and (2) one which is your current pay practice for that job. If you plot the values that you get by Hay points against the wages, you would expect them to go up in value as you go up in wages. Let us look at the male-dominated

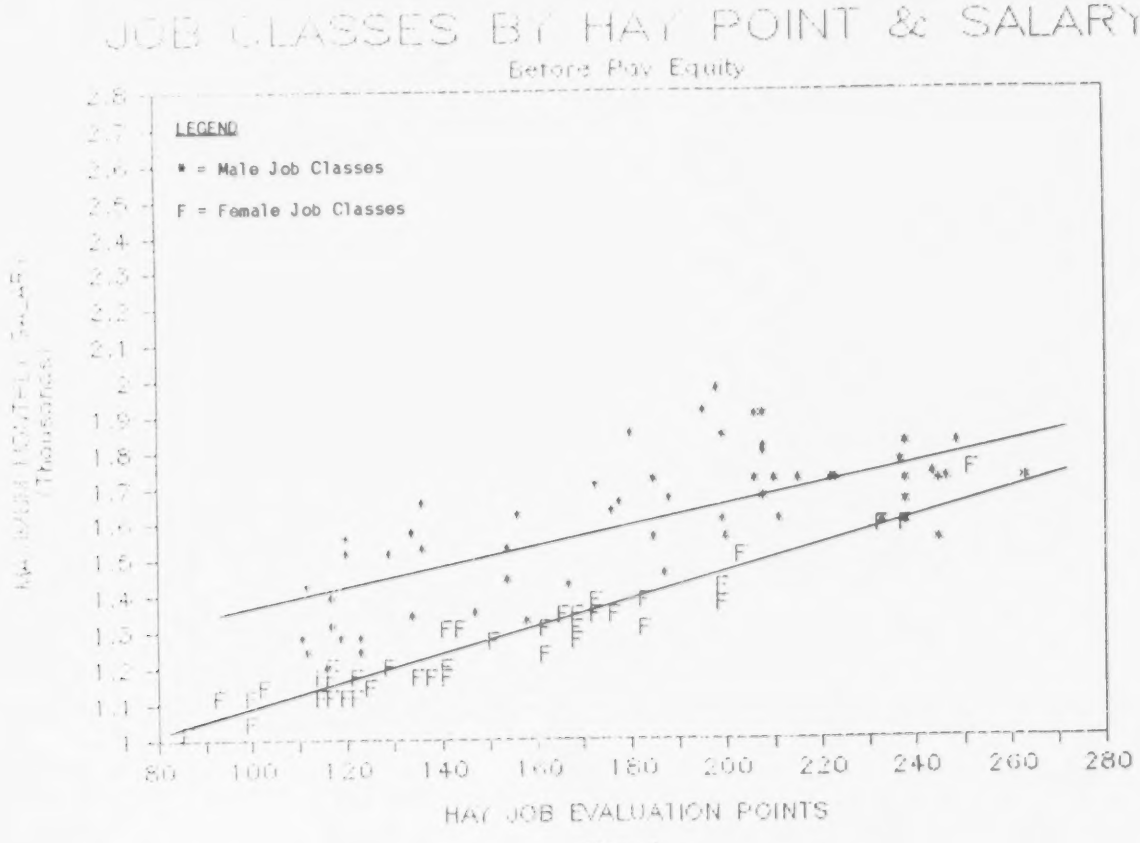

Figure 1

positions. As you go up in points, you do, in fact, go up in pay. White males in our society have typically not suffered the kinds of discrimination that 30 years ago was legal." She pointed out, "We were not using the Hay System to set wages, but were using it to analyze the structure of our pay system. The general pattern is that as you go up in Hay points, you go up in the pay structure. It is not a one-to-one relationship, but a general tendency. You could draw a line of central tendency through the points and say, 'This is how we pay people when we look at the nature of the work in general.' Now, some classes are paid more than the general pattern and some paid less, but there are other factors that affect wages and that is OK.

"Now let us look at female-dominated positions. In every case (Clerk I, Secretary I, Hospital Aide, etc.), they pay less than equivalently valued male jobs. Again, there is the same general pattern that as the position goes up in point value, it goes up in wages. But not the same way men's positions do. It does not scatter around the non-discriminatory salary practice of men. It, in fact, forms a separate and lower line of its own. In other words, the work that women do--if there are mostly women doing that job--this is how we pay it. And, if it is mostly men doing the job, this is how we pay it. Essentially, what we have in our society is a double standard of wages, a dual wage structure."

Rothchild challenged others to simply look at the structures of their pay systems using job evaluation as an analytical tool to look at what their current pay practices are. "I would guess that almost everyone would discover this double standard--this dual wage structure."

She reminded the audience to remember that "this is really in many ways an abstraction because we are not looking at individuals. We are looking at job classes (Clerk I, Secretary I, Hospital Aide, etc.), which are typically female classes. It has nothing to do with the people in the job. Also, the number we use for salary is not actual salary, but we use the top of the range. So you allow for other factors like seniority and so forth, because people move through the range for that work. So you abstracted the individual characteristics and are looking in many ways at the structure of the pay system as reflected in the work itself, and the amount of money you would be willing to pay regardless of who the incumbents are, rather than looking at males' work and females' work."

Rothchild spoke about the problem with the solution perhaps being the fact that it is so "simple minded." She said, "What you ought to do is pay people enough so that they are up where they belong. Pay people as though they had never been discriminated against. So the solution to pay equity (or comparable worth) is basically to figure out some mechanism to eliminate the dual wage structure that is based on sex and pay these people in female-dominated positions as if men did that work. For example, this is a Clerk Typist III. If men were Clerk Typist IIIs, what would we pay them? We would pay them up here. And that is essentially what we did in the state of Minnesota.

"We have now completed the process, and we found that paying each of these people who work in these female-dominated classes (and about 10 percent of them were men) was $26 million. That sounds like a lot of money, but it is less than 4 percent of our state's payroll. We did this analysis in 1981 and 1982 and we decided since it was 4 percent of payroll, we will do it over a four-year period of time. So we established in law a mechanism by which the legislature could earmark funds for special equity increases and, by July 1, 1986 the female-dominated line at the bottom has merged with the male-dominated line above. (See Figure 2.) So what we will have done in effect by July 1, 1986 is to merge the dual wage structure upward, so that now we will pay people according to the work they do rather than through some accident of biology.

"Keep in mind, though, that there is not a one-to-one relationship between Hay values and wages. I keep going back to the argument where people say 'job evaluation is not perfect--you can not really measure jobs.' You do not need to have it perfect. What you are doing is analyzing the struc-

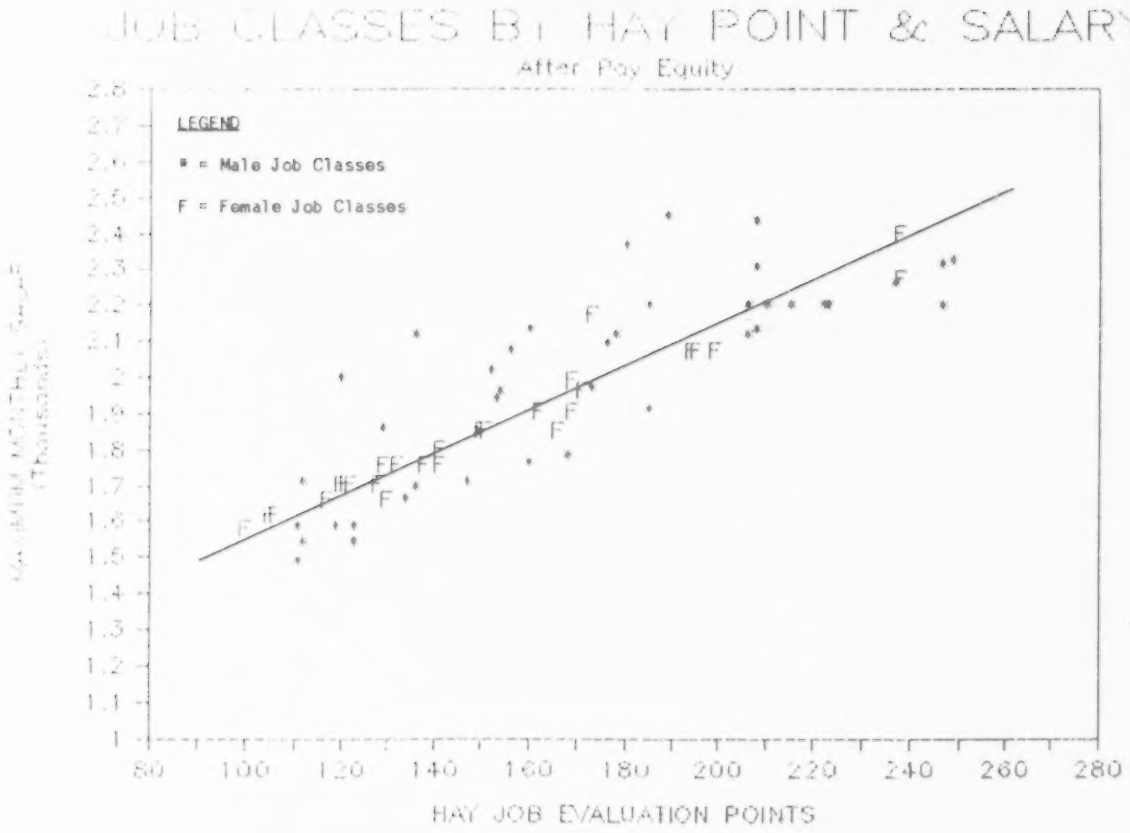

Figure 2

ture of your system and integrating the pay structures--the double standard of wages that you have. So you would expect a certain amount of scatter around the salary practice line--whether there be some politically powerful position or a situation where there has been a short supply, such as computer technology jobs. But it will be a scatter around a single line instead of two lines."

Rothchild noted that the cost, in fact, ended up to be 3.7 percent of payroll and "not surprisingly, the increases went primarily to all of our clerical workers and about half of our health care workers. About 150 different job classes and about 9,000 of our employees were eligible for equity increases." She also spoke about how, since that went so well in 1984, their state legislature passed a law which applies to local units of government. With over half of these local governments reporting in, it was clear that the 1 to 5 percent of payroll cost was the inclusive range.

Ending her discussion of the practical side of the issue, she said, "I do not want to sound like Pollyanna, but the technical side is really quite simple. Obviously, though, local officials are not crazy about this. On the other hand, it is very heartwarming to me to see the fundamental decency that I at least find in the upper part of the prairie. I have not been to Arizona before. I hope you have the same kind of decency here--that once people analyze the structures of the pay systems, they say, 'Hey, that is not right--we should have done this a long time ago!' So, even though it costs money, I think in many ways pay equity is simply catching up to the realities of today's world, which are: women are in the labor force, they are there because they need the work and the money--and our pay system simply has not caught up to where the world is now."

Finishing up by saying, "There are ways to do it. People have done it. It is easy to do if you have goodwill and want to do it," Rothchild switched over to the political

side of the issue, where she had begun. "I would like to look into the kinds of traps that people can fall into and the kinds of things that opponents are likely to bring up or do. Think of the book Passages, the idea that people go through different stages when they start dealing with pay equity. That is not to say the sequence is invariant, but there does seem to be some very identifiable and predictable stages. These are:

The Chicken Little Stage

"These basically are the people who say if you try to implement comparable worth, all these terrible things are going to happen. I guess we could also call this the 'looney tune' stage because this is generally the stage that is characteristic of the Wall Street Journal, Fortune Magazine, the Reagan Administration, chambers of commerce, etc.

"First of all, before getting into the three code words people in this stage are likely to use, they also have two other words--'complex' and 'controversial'--when the concept is simple and it should not be controversial to pay people according to the work they do. Then, when they get into the details about why it's complex and controversial, they use the words:

1. Apples and oranges;

2. Market--this is supposed to be supply and demand; and

3. Cost.

"Well, we have already talked about the apples and oranges. The supply and demand is interesting because when they use the word market, they do not distinguish between prevailing wages and supply and demand. And if you work in a personnel system as I do, and you look at the number of openings and the number of applicants, there is very little relationship between the number of applicants--people willing to do the job--and the wages of the job. Very little. Only in a few exceptional circumstances do you find a direct supply and demand type of factor with wages. So, confusing prevailing wage rates--which have all the discriminatory practices of the past 200 years of history built into them--with supply and demand, simply does not make sense if you really look at it. Not to say it does not count in some cases, but to try to explain with supply and demand is not very perceptive.

"The third code word is 'cost.' But, as I have said, anyone who has actually made an analysis of their workforce found the cost somewhere between 1 and 5 percent of payroll. This is not an unmanageable amount if you can plan for it, control it, and do it over a period of time as we did in Minnesota.

The Ostrich Stage

"There are the people who came to the conclusion that there might be something to this comparable worth, and maybe other people have problems, other people might discriminate, but we do not have any problems here. Large corporations are likely to fit into this category, and you will hear things like, 'Women make less money because they have babies.' Now, this is an interesting reason why women make less money.

"There are also the people that are likely to buy into what we call 'Let them be plumbers,' the answer now is affirmative action. It is fascinating to watch some of the folks in Washington who are so anti-affirmative action. Yet, they all say the problems with women's wages can all be solved by having women go into men's jobs--which overlooks the economy in the most obvious way--that the growth of the economy is in the service sector, the information society, and in office work. So the growth in the economy is in women's jobs. The decline in the economy is with blue-collar jobs--that is where the unemployment rate is high.

"Besides, who would fill the vacant women's jobs? Can you imagine any man in his right mind quitting his $25,000/year job, going to typing school so he can take a woman's job that pays $15,000/year? It just does not make sense, and it would take 10 million men to do that. So my view is that we are going to have to integrate our pay systems so that we have a single wage structure.

The Nitpicker Stage

"Some people go here directly, they forget about the Chicken Little Stage. Academics tend to go here too. These are the people who can find a million complexities on the pay equity issue, and they can find the one example that illustrates the supply and demand argument. And they talk about 'no job evaluation system is absolutely perfect,' which is absolutely true. There is no way you can take a job and put a tape measure around it. But you can measure it in a very rough kind of way. You do not need a perfect system in order to analyze the structure of your wage system. You do want to have a relatively unbiased evaluation system if that is what you use, but you do not need a microscope to find an elephant--which basically is what wage discrimination is.

"So, these are the people who get really hung up on the difficulty and complexity and try to spend a lot of time reinventing the personnel system and making it so much more complicated until the whole thing kind of collapses of its own weight.

"I think there are some people in the Nitpicker Stage who are likely to stay there out of their own self-interest. There is big grant money for studying something like pay equity and, therefore, if you make it real complex and difficult, you can attract some government grants.

The Crossroads Stage

"This is the stage where people are really forced to deal with the issue of comparable worth in some kind of real sense. This is the way it was with local officials in Minnesota. Whether they started out as Chicken Little or Ostrich, etc., what it came down to was they had to do something because the law said they had to do something--like report to the legislature on their pay equity plan.

"Let me end up by talking a little about the Crossroads Stage. There you have to realize that there is a right way and a wrong way. The right way leads you to the Emerald City. The wrong way leads you to turmoil, lawsuits, and strikes. Certainly, the quickest way to go downhill real fast is to talk about freezing or lowering men's wages! Now, remember what you are trying to do is to establish a non-discriminatory wage system. When women earned the right to vote, they did not talk about taking the vote away from men. You do not take away the non-discriminatory thing. What you do is take the group who have been discriminated against and treat them the way people who have not been discriminated against are treated.

"Doing a study and finding a double standard of wages and not doing anything about it is sure enough another way that leads to turmoil, lawsuits, and strikes.

"A final wrong way is starting from scratch and reinventing your entire personnel system. You are disrupting everything that people have gotten used to. Whether or not they like it, they are at least used to it."

As far as the right way to pursue comparable worth is concerned, "There is no guarantee that you can reach the Emerald City, but at least from what I have seen with local units of government in Minnesota and the other states in this country that have instituted a pay equity plan, there seem to be some common characteristics there too.

"Look at it as a win-win situation. For the employer, it is just much more sensible to pay people according to what they do, to pay a decent wage that all employees perceive as fair. To the employee, it is an obvious win because they are getting paid a decent wage for the work that they do.

"Also, keep your pay system simple. Do not let all the exceptions drive the system. If you have got a market factor--a supply and demand factor--allow that within your overall framework. But look at the overall structure and keep it as simple as possible.

"Get to the problem before it gets to you. Use common sense. Determine the size of the problem and then determine how you are going to address it. One of the things that

led us to be successful in Minnesota at the state level was that it was a fully co-operative, voluntary effort. We were never filed suit against.

"Again, by keeping it simple and focusing on the positive side of it, these things are helpful, whether you use Minnesota's model of job evaluation or go some other way in looking at that double standard of wages. The bottom line is that you sit down with the parties involved and realize that it's going to be a political process involving compromise and accommodations between competing interests. But you end up saying, 'Look, let us figure something out and then let us just go ahead and do it!' And that is exactly what we did in Minnesota."

Three speakers followed Nina Rothchild. The first was Marvin Dertein, manager of compensation and benefits for the Salt River Project and director of research for their job evaluation methodology. He was another "pro" comparable worth advocate, and his main points were:

1. Job evaluation plans are used to set wages 70 to 80 percent of the time. (Wage survey are only used for 20 to 30 percent of wage determination.)

2. The EEOC-commissioned National Academy of Science found that among the different job evaluation plans being used in the U.S., there can be up to a 55 percent error rate leading to job bias against women.

3. Due to this essentially "moral" problem, employers have as one main responsibility to see to it that their job evaluation plans are sex-neutral. The methodology for achieving this is a very simple statistical test.

The last two speakers at the conference engaged in a debate on the pros and cons of comparable worth. Dr. Finis Welch, chairman of the U.S. Commission on Civic Rights Advisory Committee on the Economic Status of Women and Minorities, and professor of economics at UCLA, took the "con" point of view. He pointed out, through some examples, that making women's work more expensive will lead to less employment for women, since firms would not be willing to increase their costs of production without a corresponding increase in productivity.

In speaking to the point that job evaluations value jobs and not the individuals in them, he said, "I would hate to think that the value of an artist was independent of who the artist happened to be. Because I know a lot of economists, I would also think the value of the economist depends on who the economist is."

Mr. E. James Brennan, president of Brennan-Thomsen Associates of St. Louis, a compensation management consulting firm, took the "pro" point of view, and some of his comments dealt with the kind of "double-think" he encounters when first dealing with a company's management--how afraid they are of the idea of a comparable worth pay plan. One example of double-think, upon first encountering a CEO:

CEO: "We treat everyone equally!"
Mr. Brennan: "But wait a minute; you have two separate pay plans that break out according to sex categories."
CEO: "Well, that is so we can match the market."

It is unfortunate to have to be succinct when so much worthwhile was said. As mentioned at the outset, four of the five speakers were for comparable worth, and any of them could have had their presentations expanded upon for a "pro" comparable worth article. In any case, the Pay Equity Conference not only answered many questions, but raised some new ones as well. One of these was: where do comparable worth advocates go from here?

Something most everyone agreed on is that one way to benefit comparable worth is to hold more of the same type of open forums. While dispelling myths, breaking down barriers, and at the same time hearing what the opponents have to say, such pay equity conferences can hardly help but to further the achievement of the goal of equal pay for work of equal value to employers.

Nancy Augustin

1986-87 Annual Planning Information Publication Now Available

The latest edition of the Annual Planning Information (API) publication is now available. This report contains projections for 1986 and 1987 of population, labor force, persons in poverty, persons with work disabilities, and high school dropouts. Current data on public assistance recipients, average weekly wages, teenage parents, veterans, offenders, Unemployment Insurance recipients, and Vocational Rehabilitation clients are also included in the publication.

Many of the tables are presented with breakdowns by age, sex, race, and Hispanic ethnicity. All of this information is arranged for the state as a whole and by either county or by Job Training Partnership Act (JTPA) service delivery area. Some data is included for the cities of Phoenix and Tucson.

The API can be used for program planning and evaluation, economic analysis and development, resource allocation and funding, job search assistance, job development, and vocational counseling. Available on request are supplements to the API concerning unskilled workers concentration and growing/declining industries and occupations. If you would like a copy of the API, please write to the address on the back of this Newsletter or call (602) 255-3871.

Barbara Keene

Military Career Guide Available

The Military Career Guide contains descriptions of 134 enlisted military occupations and is designed to be used by students for career exploration purposes. The Guide provides composite, joint-service occupational information rather than service-specific data. The Guide is designed to replace the Military-Civilian Occupational Source Book. The Guide also includes information regarding the aptitudes needed for entry into each military occupation. Students who have taken the Armed Services Vocational Aptitude Battery (ASVAB) can use their scores to determine their chances of qualifying for these military occupations. The Guide contains DOT indexes to facilitate its use with civilian career information sources.

Single copies may be obtained free of charge by calling or writing: U.S. Military Enlistment Processing Command, 2500 Green Bay Road, North Chicago, Illinois, 60064-3094, phone: 1-800-323-0513.

Arizona Unemployment Insurance Activities - November 1985

	November 1985	October 1985	November 1984	% Change From One Year Ago
Arizona Claimants Served*	23,217	26,016	22,155	+4.8%
Arizona Average Weeks Unemployed**	9.1	9.2	8.7	+4.6%
Arizona Benefits Paid*	$7,470,014	$8,612,807	7,274,043	+2.7%
Arizona Trust Fund Balance	$332,981,234	$317,443,521	$242,875,074	+37.1%

*All Programs
**UI Only

The Arizona Labor Force in December

For the last four months, the statewide unemployment rate has held constant at 6.5 percent. Although 36,300 new jobs have been created during that period, rapid population growth has caused unemployment to rise by 2,800. Our civilian labor force now exceeds the one and a half million mark for the first time and is expected to continue rising in the year ahead as our population grows. But with job growth predicted to be less than in 1985, the unemployment rate can be expected to begin rising again.

Looking back over 1985, the state's economy peaked at mid-year and has held that level for nearly six months. Manufacturing, mining, and construction have been suffering job losses to varying degrees, a trend expected to continue into 1986. In manufacturing, losses in electronics have been offset almost completely by gains in defense-related aerospace. But considering that the Gramm-Rudman-Hollings bill will cut domestic and defense spending equally, cutbacks in defense purchases have the potential for reducing aerospace employment. Elsewhere in manufacturing, seasonal employment gains in apparel and food processing have helped many of the state's southern rural counties to enjoy a short term of economic growth.

In construction, the pace of job losses quickened in December. After losing 800 jobs in November, an additional 1,400 jobs were lost in December. It is unclear at this point how much of that loss can be attributed to delays related to the holiday season. Although the January statistics may show a slight rebound, the underlying economic factors continue to point downward. A high and rising vacancy rate in commercial buildings and multi-family housing is expected to curtail new starts. If it were not for falling interest rates, a growing population, and low vacancy rates in single-family housing, construction employment would fall even more in 1986.

Finally, in the state's battered copper mining industry, 1985 continued the string of losses that began in 1981. While employment levels held steady in December, a total of 1,700 people have lost their job in the last 12 months. This nearly 17 percent loss is not the end. Recent announcements indicate that another 300-350 people will be losing their jobs; and with little likelihood that prices or demand will change positively, more losses can be expected.

While there is clearly a concern over growth in 1986, some sectors of the economy remain strong. In particular the retail trade, service, and finance/real estate industries continue to do well as the state's population grows. A good Christmas holiday season added 5,400 retail trade jobs and 1,300 service jobs. The opening of several new food stores, hiring at department stores around the state, and a growing base of winter tourists all helped to expand employment. And the outlook for these industries continues to be positive into 1986.

In the last 12 months, the state's economy has created an impressive 54,400 jobs, making Arizona one of the fastest growing states in the nation. But this growth has been and continues to be uneven across the state. In the Phoenix metropolitan area, where nearly 65 percent of the jobs exist, over 70 percent of the new jobs in 1985 were created. And in the Tucson metropolitan area, they have 18 percent of all the jobs in the state, but over 20 percent of the new jobs last year. So although the state's rural counties did grow by 4,900 jobs last year, they continue to grow slower than would otherwise be the case.

As we look back across 1985 and into 1986, it is clear that 1985 was a good, but not spectacular, year for the economy. Rapid population growth has moved our unemployment rate up nearly to the national level. Along with an expected slowdown in job creation led by construction and manufacturing, the unemployment rate will continue to rise in 1986. The economic expansion which began nationally nearly three years ago has matured and a slowdown is inevitable. While the national slowdown will definitely impact on Arizona, no precipitous drops are expected.

Dan Anderson

Arizona Labor Force and Employment

December 1985 (in thousands)

	ARIZONA				
	Dec.* 1985	Nov. 1985	Dec. 1984	-- Amt Change -- Nov. to Dec.	1984 to 1985
TOTAL CIVILIAN LABOR FORCE**	1500.1	1493.0	1490.5	+7.1	+9.6
Total Unemployment	95.4	95.6	64.1	-0.2	+31.3
Rate	6.4	6.4	4.3	---	---
Rate (Sea. Adj.)***	6.5	6.5	4.4	---	---
Total Employment	1404.7	1397.4	1426.4	+7.3	-21.7

The Above Labor Force Statistics Should Not Be

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT BY PLACE OF WORK

TOTAL WAGE AND SALARY	1297.7	1290.8	1244.2	+6.9	+53.5
Manufacturing	183.0	182.5	180.8	+0.5	+2.2
Durable Goods	143.8	143.7	142.8	+0.1	+1.0
Stone, Clay and Glass	8.4	8.4	8.0	+0.0	+0.4
Primary and Fabricated Metals	16.5	16.5	17.6	+0.0	-1.1
Primary Metals	7.3	7.3	7.5	+0.0	-0.2
Fabricated Metals	9.2	9.2	10.1	+0.0	-0.9
Machinery	66.6	66.9	71.2	-0.3	-4.6
Other Durable Goods	52.3	51.9	46.0	+0.4	+6.3
Aircraft and Missiles	25.0	24.6	20.3	+0.4	+4.7
Lumber and Wood Products (Except Furniture)	8.0	8.1	7.4	-0.1	+0.6
All Other Durable Goods	19.3	19.2	18.3	+0.1	+1.0
Nondurable Goods	39.2	38.8	38.0	+0.4	+1.2
Food and Kindred Products	8.7	8.6	8.6	+0.1	+0.1
Apparel	5.1	5.0	5.2	+0.1	-0.1
Printing and Publishing	14.5	14.4	13.9	+0.1	+0.6
All Other Nondurable Goods	10.9	10.8	10.3	+0.1	+0.6
Mining and Quarrying	11.0	11.0	12.0	+0.0	-1.0
Copper Mining	8.4	8.4	9.2	+0.0	-0.8
Other Mining and Quarrying	2.6	2.6	2.8	+0.0	-0.2
Construction	107.5	108.9	101.4	-1.4	+6.1
Trans., Communications, and Public Utilities	64.7	64.0	61.4	+0.7	+3.3
Transportation	29.8	28.8	28.4	+1.0	+1.4
Communications and Public Utilities	34.9	35.2	33.0	-0.3	+1.9
Trade	322.3	316.3	307.9	+6.0	+14.4
Wholesale Trade	63.9	63.3	60.4	+0.6	+3.5
Retail Trade	258.4	253.0	247.5	+5.4	+10.9
General Merchandise and Apparel	45.3	42.7	46.0	+2.6	-0.7
Food Stores	39.4	38.5	37.6	+0.9	+1.8
Automotive and Service Stations	29.5	29.7	28.2	-0.2	+1.3
Eating and Drinking Places	89.9	88.6	83.7	+1.3	+6.2
Other Retail Trade	54.3	53.5	52.0	+0.8	+2.3
Finance, Insurance, and Real Estate	79.9	79.5	75.2	+0.4	+4.7
Services and Miscellaneous	302.0	300.7	282.8	+1.3	+19.2
Hotels and Other Lodging Places	31.6	31.7	28.6	-0.1	+3.0
Business Services	68.7	68.4	64.7	+0.3	+4.0
Health Services	73.1	72.6	69.6	+0.5	+3.5
Other Services	128.6	128.0	119.9	+0.6	+8.7
Government	227.3	227.9	222.7	-0.6	+4.6
Federal	41.1	41.5	39.4	-0.4	+1.7
State and Local	186.2	186.4	183.3	-0.2	+2.9
School	111.8	111.3	113.8	+0.5	-2.0

* Preliminary
** Labor force, unemployment, and employment are reported by place of residence.
*** Normal seasonal variations have been eliminated to reflect underlying economic trends.
NOTE--Prepared in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics.

December 1985 (in thousands)

MARICOPA COUNTY					PIMA COUNTY				
			-- Amt Change --					-- Amt Change --	
Dec.* 1985	Nov. 1985	Dec. 1984	Nov. to Dec.	1984 to 1985	Dec.* 1985	Nov. 1985	Dec. 1984	Nov. to Dec.	1984 to 1985
954.2	948.7	948.0	+5.5	+6.2	273.4	272.3	272.0	+1.1	+1.4
48.4	48.4	31.3	+0.0	+17.1	14.9	15.3	10.8	-0.4	+4.1
5.1	5.1	3.3	---	---	5.4	5.6	4.0	---	---
5.2	5.2	3.4	---	---	5.6	5.7	4.1	---	---
905.8	900.3	916.7	+5.5	-10.9	258.5	257.0	261.2	+1.5	-2.7

Used for Economic Assistance Programs

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT BY PLACE OF WORK

852.3	847.1	815.7	+5.2	+36.6	236.7	235.4	226.4	+1.3	+10.3
130.4	130.0	131.4	+0.4	-1.0	32.7	32.5	30.2	+0.2	+2.5
103.7	103.6	105.4	+0.1	-1.7	27.5	27.3	25.2	+0.2	+2.3
5.2	5.2	5.0	+0.0	+0.2					
10.9	10.9	11.2	+0.0	-0.3					
52.9	53.0	57.3	-0.1	-4.4					
34.7	34.5	31.9	+0.2	+2.8					
26.7	26.4	26.0	+0.3	+0.7	5.2	5.2	5.0	+0.0	+0.2
5.3	5.2	5.5	+0.1	-0.2					
3.2	3.2	3.1	+0.0	+0.1					
10.6	10.5	10.2	+0.1	+0.4					
7.6	7.5	7.2	+0.1	+0.4					
0.6	0.6	0.7	+0.0	-0.1	2.2	2.3	2.8	-0.1	-0.6
74.5	75.6	70.5	-1.1	+4.0	21.2	21.1	19.3	+0.1	+1.9
43.1	42.3	39.9	+0.8	+3.2	8.8	8.7	9.1	+0.1	-0.3
20.5	19.8	19.2	+0.7	+1.3	4.1	4.0	4.1	+0.1	+0.0
22.6	22.5	20.7	+0.1	+1.9	4.7	4.7	5.0	+0.0	-0.3
220.4	216.2	209.8	+4.2	+10.6	52.0	51.5	50.9	+0.5	+1.1
50.2	49.9	47.6	+0.3	+2.6	7.5	7.5	7.1	+0.0	+0.4
170.2	166.3	162.2	+3.9	+8.0	44.5	44.0	43.8	+0.5	+0.7
29.0	27.3	29.5	+1.7	-0.5	8.2	7.9	8.5	+0.3	-0.3
25.5	24.9	24.3	+0.6	+1.2	6.1	5.9	6.0	+0.2	+0.1
18.8	18.9	17.9	-0.1	+0.9	4.7	4.8	4.5	-0.1	+0.2
58.8	57.7	54.5	+1.1	+4.3	16.5	16.4	15.6	+0.1	+0.9
38.1	37.5	36.0	+0.6	+2.1	9.0	9.0	9.2	+0.0	-0.2
62.8	62.4	58.9	+0.4	+3.9	11.0	11.0	10.5	+0.0	+0.5
205.2	203.8	193.1	+1.4	+12.1	57.9	57.7	52.4	+0.2	+5.5
19.5	19.2	17.2	+0.3	+2.3	4.9	5.0	4.7	-0.1	+0.2
55.7	55.3	53.1	+0.4	+2.6	10.4	10.4	9.0	+0.0	+1.4
48.3	47.9	47.2	+0.4	+1.1	15.9	15.8	14.0	+0.1	+1.9
81.7	81.4	75.6	+0.3	+6.1	26.7	26.5	24.7	+0.2	+2.0
115.3	116.2	111.4	-0.9	+3.9	50.9	50.6	51.2	+0.3	-0.3

-- Prepared by Labor Market Information, Research and Analysis (CPS, 1/85)

Nonmetropolitan Counties
Labor Force and Employment
December 1985

	Apache	Cochise	Coconino	Gila	Graham	Green-lee	La Paz
TOTAL CIVILIAN LABOR FORCE*.	15,900	29,850	37,800	12,700	8,125	2,075	4,800
Total Unemployment	2,925	2,650	4,275	1,625	900	275	850
Rate	18.4%	8.9%	11.3%	12.8%	11.1%	13.3%	17.7%
Rate (Seas. Adj.)**. . . .	18.9%	8.8%	11.1%	12.2%	11.5%	13.9%	-INA-
Total Employment	12,975	27,200	33,525	11,075	7,225	1,800	3,950
THE ABOVE LABOR FORCE STATISTICS SHOULD NOT BE USED FOR ECONOMIC ASSISTANCE PROGRAMS							
TOTAL WAGE AND SALARY. . . .	14,675	23,900	34,175	9,750	4,975	1,800	2,450
Manufacturing.	800	2,125	2,625	1,275	175	25	75
Mining and Quarrying	25	175	25	1,625	0	650	0
Construction	875	1,250	1,475	375	150	75	75
Trans., Comm., & Pub. Util..	1,850	1,600	2,350	350	175	50	50
Trade.	1,400	5,350	7,975	1,950	1,400	300	825
Fin., Insur., & Real Estate.	300	625	750	250	150	25	100
Services and Miscellaneous .	4,100	3,125	7,950	1,600	825	100	575
Government	5,325	9,650	11,025	2,325	2,100	575	750

	Mohave	Navajo	Pinal	Santa Cruz	Yavapai	Yuma
TOTAL CIVILIAN LABOR FORCE*.	24,200	25,825	32,800	9,000	33,600	35,800
Total Unemployment	2,700	3,975	3,950	1,175	2,325	4,475
Rate	11.2%	15.4%	12.0%	13.1%	6.9%	12.5%
Rate (Seas. Adj.)**. . . .	11.1%	15.6%	12.5%	13.8%	6.8%	-INA-
Total Employment	21,500	21,850	28,850	7,825	31,275	31,325
THE ABOVE LABOR FORCE STATISTICS SHOULD NOT BE USED FOR ECONOMIC ASSISTANCE PROGRAMS						
TOTAL WAGE AND SALARY. . . .	18,000	18,525	26,700	8,550	20,450	24,825
Manufacturing.	2,325	1,750	3,625	1,100	2,200	1,775
Mining and Quarrying	300	1,100	3,625	0	575	50
Construction	1,500	800	1,125	325	1,900	1,875
Trans., Comm., & Pub. Util..	1,150	1,650	1,200	600	900	950
Trade.	5,200	3,400	4,925	3,575	5,325	8,275
Fin., Insur., & Real Estate.	850	350	700	250	775	950
Services and Miscellaneous .	3,375	4,775	2,825	1,200	4,075	4,475
Government	3,300	4,700	8,675	1,500	4,700	6,475

*Adjusted to the Current Population Survey (CPS) to reflect place of residence.
**Seasonal adjustment not applicable for economic assistance programs.

NOTE--Series for Yuma and La Paz counties start January 1983. Data are not comparable to any past series.

Prepared in conjunction with the U.S. Department of Labor, Bureau of Labor Statistics.

Arizona Labor Force and Employment For Economic Assistance Programs December 1985

County	Civilian Labor Force	Employment	Unemployment	Rate
Statewide	1,500,060	1,404,738	95,322	6.4%
Apache	15,909	12,977	2,932	18.4
Cochise	29,836	27,197	2,639	8.8
Coconino	37,789	33,523	4,266	11.3
Gila	12,690	11,072	1,618	12.8
Graham	8,132	7,231	901	11.1
Greenlee	2,080	1,793	287	13.8
La Paz	4,808	3,963	845	17.6
Maricopa	954,197	905,872	48,325	5.1
Mohave	24,207	21,519	2,688	11.1
Navajo	25,821	21,853	3,968	15.4
Pima	273,395	258,460	14,935	5.5
Pinal	32,788	28,833	3,955	12.1
Santa Cruz	8,997	7,813	1,184	13.2
Yavapai	33,606	31,292	2,314	6.9
Yuma	35,805	31,340	4,465	12.5

These figures are the only official BLS labor statistics to be used for revenue sharing purposes. They are not designed to be used as economic indicators. Note: Series for Yuma and La Paz counties start January 1983. Data are not comparable to any past series.

Estimated Hours and Earnings of Production Workers in Selected Industries in Arizona December 1985

INDUSTRY	AVERAGE WEEKLY EARNINGS			AVERAGE WEEKLY HOURS			AVG. HOURLY EARNINGS		
	DEC.* 1985	NOV. 1985	DEC. 1984	DEC.* 1985	NOV. 1985	DEC. 1984	DEC.* 1985	NOV. 1985	DEC. 1984
FOR THE STATE OF ARIZONA*									
Manufacturing	395.28	398.75	377.81	40.5	40.4	40.8	9.76	9.87	9.26
Aircraft & Missiles	INA	INA	INA	INA	INA	INA	INA	INA	INA
Food & Kindred Products	334.93	375.42	294.84	38.9	41.3	40.5	8.61	9.09	7.28
Primary Metals	519.79	499.20	528.35	39.8	39.4	41.8	13.06	12.67	12.64
Machinery	371.57	354.88	333.66	40.3	39.3	40.2	9.22	9.03	8.30
Copper Mining	581.86	571.87	564.56	41.8	41.5	42.1	13.92	13.78	13.41
Construction	409.86	419.14	405.68	34.5	35.4	33.5	11.88	11.84	12.11
Utilities	598.84	593.01	598.98	44.0	43.7	44.8	13.61	13.57	13.37
Retail Trade**	237.10	236.88	228.74	33.3	32.9	34.5	7.12	7.20	6.63
Wholesale Trade	360.38	360.75	359.29	37.0	37.5	38.8	9.74	9.62	9.26

* Preliminary
** Excludes eating and drinking places.
NOTE--These estimates are based on a sample of full and part-time production and related employees whose payroll and hours are reported for the pay period which includes the 12th of the month. Prepared in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics.

--Prepared by Labor Market Information, Research and Analysis (1972 SIC, 1/84)

An Economist and a Feminist Look at Comparable Worth

Mention comparable worth to an economic conservative and it's a "frontal attack on economic liberty, the feminist road to socialism." Mention it to a NOW activist and it's the New Theology: the only true route to pay equity for women. Phyllis Schlafly has launched a campaign directed at blue-collar workers warning that comparable worth advocates "have targeted YOU for a wage freeze." George Will crows at the recent 9th Circuit Court ruling (overturning an earlier 1983 decision) that the state of Washington need not implement comparable worth. For him, it is a triumph for conservatism; an issue liberals of both sexes would be wise, he says, to dodge.

With passions so high, a rigidity is setting in that obscures, on the one hand, reasonable discussion of the imperfections of a free market where women's wages are concerned; and, on the other hand, the likelihood that comparable worth, if implemented, might substitute one set of arbitrary job evaluations for another.

Worse yet, both sides are losing sight of the fact that comparable worth is but one strategy among several. If recent court setbacks represent a watershed for the doctrine, they by no means relieve us of finding other ways to correct inequities in job pricing. As conservatives and feminists dig in, the real losers may be women whose wages do deserve to be raised.

In this article, the authors take a hard look at comparable worth in the light of recent developments and conclude that the benefits may not--even for women--be worth the dislocations and the costs. Also, they believe there may be sounder ways to advance pay equity for women without abandoning the market.

Twenty-five years ago, a woman entering the work force faced occupational exclusions, direct discrimination, and generally unequal pay, even for the same work. The index of occupational segregation by sex, maintained since 1916, showed that in occupations dominated by at least 70 percent of one sex, little had changed in the entire period in which such data had been logged. A woman graduating from college in 1960 could, whatever her talent and ambition, look forward to a career as a research or backroom assistant with no chance of promotion to traditionally male positions. And if she did manage to move up, she was assured of unequal pay. The only employer who always did pay the same for the same position was the military.

Female school teachers commonly experienced wage discrimination vis-a-vis males. Moreover, every teacher lived with a contract clause that required her to resign in the fifth month of pregnancy, thus losing her health benefits as well as her job.

The 1963 Equal Pay Act and Title VII of the 1964 Civil Rights Act (extended to professionals and public sector employees in 1972) made much of this employment discrimination illegal. But two problems remain. First is the continuing segregation of jobs and occupations by sex. Second, there remains an overall wage gap between men and women. Women on the average (that is, across all occupations) still earn 64 cents for every man's dollar. Advocates of comparable worth say this is the result of the artificially lower value of "women's work."

If implemented, comparable worth would mean that predominantly women's work would be re-valued, presumably upward, to allow for the assignment of better pay. (Men's wages, it is assumed, would not be lowered but would remain either the same or rise more slowly.) The procedure would consist of revising the "job evaluation" criteria that are generally used within large organizations to assign "points" and comparative values to different jobs.

Traditionally, wage theory has been the business of economists while job evaluation

and pricing within the firms is done by compensation specialists. Whether people, men or women, should be paid the same if some quasi-scientific measure (job evaluation) determines their jobs to be "equal" raises some fundamental issues about wages that are not yet popularly understood. How is pay determined in the American economy? Are the methods used to set wages in large organizations useful and fair?

There is no question that women are crowded into many female-dominated occupations and that their positions tend, on the average, to be lower-paid than men's. But is this the result of intentional discrimination or "statistical discrimination"--judging all women by the work-related behaviors of some? Or, are we simply witness to the tried and true forces of supply and demand? In truth, it is a question no one, either activist or scholar, has been able to resolve with any certainty.

Some economists spend entire careers trying to establish the existence, or absence, of discrimination in the work place. The fact is, no one knows for sure just how much of the wage differential experienced by women workers is the result of discrimination and how much is a matter of their self-image, role socialization or, as economists say, their "taste" for work that is low paid.

The underlying issue is job worth.

When economists use the term "worth" in the context of hiring decisions, they have in mind the value of adding one more worker in terms of the contribution that person will make to the revenues of the firm. In theory, an additional worker will be hired so long as value of his or her "marginal product," that is, the additional contribution of that worker to output, will be no lower than his or her wage.

Basic to these calculations is the economist's presumption that employers and employees behave rationally and that people freely seek to maximize their economic well-being. It simply doesn't make economic sense for an employer to hire someone at a wage above the value of his marginal product because it would eventually bankrupt the firm. Similarly, an employee won't work for less than the wage he could earn elsewhere, if he had the option.

To the working person, however, that marginal product is distant and indistinct. How many workers, unless they are in sales, can point to the achievements of a single eight-hour day in terms of specific additional production, efficiency, or profit? People think of their job worth far more in terms of the skills, effort, and responsibilities entailed; i.e. job content. But these characteristics tell nothing about the dollar value to the firm of one's employment.

Thus, there is a fundamental difference in perception about job worth. The job holder focuses on some intrinsic value of the job; the employer on its contribution to profit. And on this difference in perception rests much of the passion aroused by the comparable worth debate.

In a free labor market, how does an employer know that any particular wage is correct? In theory, job pricing is a variant of the interaction of supply and demand. At a certain wage (the "market-clearing" wage), the supply of workers willing to work will equal the demand for their labor. In actuality, the process is usually by trial and error. If the wage is set too high, there will be a surplus of people willing to work. And that surplus will bring the wage down to equilibrium. If the wage is too low, the employer will not be able to find enough workers and will, eventually, have to raise the wage. The market, it is argued, works to sort out the individual decisions of millions of workers and employers to arrive at wages for different occupations. And it is this sorting out that reflects the true worth of any job.

One of the several exceptions to this neat model is the fact that most people make their occupational decisions once or, at most, twice in their lifetimes. Thus, a sudden change in labor supply or demand may not be within their ability to exploit. Another is that wages for alternative jobs and occupations affect labor supply. If women had as many occupational options as

men, they might be able to sell their labor at a higher price by keeping the supply (of secretaries, for example) low.

According to recent research, there are 140 occupations that are predominantly male, 90 predominantly female, and 32 that are not particularly sex-segregated. That is, of 262 occupations, only 32 ar integrated by gender. Why are women cl tered or, as economist Barbara Bergman puts it, "crowded" into the smaller number of occupations, thus causing a skew in their wages?

Before anyone assumes sex discrimination, this question must be answered. For all we know, there might be what economists call non-pecuniary compensations in the jobs in which women concentrate: working conditions, availability of on-site child care, distance from home, easy entry and exit, rather than discrimination. But if the clustering is involuntary--if women want jobs that are closed to them--the free market is not working and women incur the cost.

How do we distinguish between outcomes that result from free choice and those that result from discrimination? Economists can only look at statistical outcomes. Workers are divided into two non-overlapping pools. When women are unable to enter certain occupations, they crowd into those still open. Crowding results in lower wages in the open occupations and higher wages in those which exclude them. Why? Because the supply of wage-earners is being artificially increased in one labor pool and decreased in the other.

Thus, when an occupation becomes predominantly female, it may also become low-wage. Bank telling and computer programming are two examples of recently feminized occupations where average wages went down. These declines may also be the result of entry barriers elsewhere in the economy. Women's willingness to work at low wages, then, may be a consequence not of their "taste," as the free market economist would argue, but of their lack of options elsewhere. Sex segregation, crowding, and direct discrimination affect both the supply of women and the demand for them, cutting wage-earning possibilities at both ends.

One solution--one proponents of comparable worth recommend--is not to wait until traditions die out and discrimination ceases to affect wages but rather to adopt corrective measures now. Such efforts would involve the reassessment of tasks in the workplace according neither to supply and demand nor to marginal productivity, but to intrinsic factors in the job. These might include the education required, experience, routine vs. non-routine, and so on. These are the elements in the "worth" of a job that employees perceive as being most significant. And these are the elements measured on a formal job evaluation.

Job Evaluation

Job evaluation is a systematic means of creating a heirarchy of positions within a firm by assigning point values to each job category.

Comparable worth advocates have mixed feelings about job evaluation. On one hand, they feel current job evaluation systems are at the heart of the problem, for it is here that sex bias intrudes. A tree-trimmer is valued more than a library assistant, educational requirements notwithstanding, because someone arbitrarily assigns more points for working out-of-doors. (This is the obverse of Phyllis Schlafly's opposition to comparable worth. She asserts that in current job evaluation schemes there is a ceiling on the points assigned to risk in blue-collar work which gives a boon to white collar compared to physical labor.) So, if comparable worth were ever implemented, it would have to use some new version of job evaluation.

What, after all, is to guarantee that any new job pricing system, even one that is designed to promote women's skills, would not in time slide back into the old patterns? This is the heart of the comparable worth dilemma: to achieve pay equity, the promoters of comparable worth have to rely on a process that they now find unacceptable.

In most organizations, job evaluation involves four steps (the last of which many supporters of comparable worth would disallow). First, the organization decides which

jobs are to be included in the hierarchy: Clerical? Professional? Managerial? All jobs? Second, it chooses and weights a set of "compensable factors" such as routine/non-routine, skill, experience, working conditions, number of subordinates, and so on. Once these steps are taken, the organization evaluates all jobs based on job descriptions and a breakdown of job components. This is called "job analysis."

The fourth step--the one that gives comparable worth advocates the most trouble--calls for a wage and salary survey of key jobs in the relevant job market. Most organizations, in short, are willing to order and rank the jobs according to intrinsic values; but when it comes to pricing, that is, assigning a particular salary or wage, the firm looks to the market. So, labor supply and demand are never far from the job pricing process, even when a formal evaluation scheme is in place.

Not all comparable worth revisions would omit the wage and salary survey; but in a recent settlement involving employees of Fresno, California, advocates of comparable worth demanded that the wage and salary survey not be included in the revised job evaluations on which pay equity adjustments would be based. Looking to the market, they said, would only bias the job pricing in favor of men's work all over again.

So there are three issues in contention. First, that points be calculated with an eye toward removing sex bias. Second, that when different jobs total up equal points, equal pay be forthcoming (even though this is presumably not required under the Equal Pay Act). And third, that job evaluation be done internally with little or no attention to existing wage rates.

Implementation

What happens when a series of female-dominated occupations are re-valued upward owing to new standards in job evaluation? We take a librarian's assistant who has previously been paid $6.00/ hour. Because her job is newly classified as equal to a male tree-trimmer, she now has the right to earn $8.00/hour.

Prior to the revision, say, 50 women were working in this job category. Thus, as the city calculated its labor costs, their salaries totaled $300/hour. To maintain that figure at $8.00/hour, the city will only be able to hire 37 library assistants.

But see what happens. Given supply and demand forces, a pay rate of $8.00/hour brings more people of both sexes into the market. Now, say, 75 people want to be library assistants where only 37 can be hired. So, not only is there a surplus of willing labor at the new wage rate, the employer is unwilling to hire as many as before. Services, with 37 library assistants instead of 50, will be curtailed. The city could maintain the library staff at 50 by raising taxes, thereby lowering the money citizens have available to spend on other goods and services. Or, if pre-existing tax levels and the library staff are maintained, parks and recreation may suffer. With the implementation of comparable worth, then, some individuals will be better off, some not.

So far we are considering only the immediate impact of comparable worth policies for a single job, occupation, or firm. Today, those who advocate comparable worth are not calling for nationwide legislation. (Rosemary Oakar's bill in Congress is to study the implementation of comparable worth only among federal employees.) But comparable worth would have still more impact if implemented across many jobs and occupations.

Wage realignment would, in time, affect the occupational choices made by young people. Under these circumstances women might be encouraged to stay or enter predominantly female occupations instead of entering men's fields.

Along with these concerns is the question of who will, finally, pay for these higher wages? The private employer is most likely to pass on his increased labor costs to the consumer; governments may raise taxes. There is nothing inherently wrong or un-American about making wage adjustments to correct for market distortions such as discrimination. (We add to consumer costs

all the time by environmental regulation.) The question is whether the nation wishes to improve women's economic status in this way.

Alternatives

Let's return to the twin set of problems that are observable: occupational segregation by sex and generally lower wages for women's jobs. Is comparable worth the only or even the best strategy for attacking these root causes of pay inequity? Perhaps a more precise formulation of the problem can point out some alternatives.

1. Barriers to Entry

At a large, Connecticut-based insurance company some years ago, women and men were sex-segregated into two types of job categories. Men took phone calls, and, checking their premium table, gave information to would-be customers over the phone. Woman answered letters of inquiry and conveyed the same level of information by means of a typewritten response. The women, called "raters," were paid at the time $2,000 less than the men, called "underwriters." Had the positions not been sex-segregated there might well have been a considerable supply of women willing to become underwriters, eventually bringing the wage of underwriters down and raters up. But there was no free market; women could not become underwriters. Instead, women experienced a form of direct discrimination called "barriers to entry."

In another institution, male janitors were assigned "heavy housekeeping" which meant they pushed vaccuum cleaners and waxing machines. Women did "light housekeeping"; they washed and scrubbed with hand-held cloths. Again, there was an artificial segregation with a premium paid for heavy housekeeping, though no bona fide occupational qualification could be drawn for keeping women off the cleaning machines.

The comparable worth solution to these problems would be to examine the job components of the underwriters' and raters' occupations; reevaluate the degree of skill and/or effort involved in using cleaning machines; and revise raters' and light housekeepers' pay upward.

But is it really necessary to tangle with job components to rectify these situations? Today it is illegal to show preference in hiring men over women; to promote men at a faster rate than equally productive women; to set certain positions aside for men without a bona fide occupational qualification. Title VII, effectively implemented, would see the integration of the two pairs of occupations. (And this is precisely what was done in the early 1970s soon after these particular anomalies were brought to light.)

2. Crowding

The lessening of occupational segregation by sex would by itself do much to diminish the crowding of women in the labor market. But if crowding is what skews women's labor supply, then it can be attacked directly, without comparable worth. Efforts to attract women into mathematics and skilled technical fields currently dominated by men is one step in that process. Consciousness raising about the dead-endedness of some women's occupations is another.

3. Equal Pay and Title VII Legislation

Proponents of comparable worth believe that equal pay and anti-discrimination legislation have not done enough. But given the time frame, we conclude that perhaps the 1963 Equal Pay Act and the 1964 Civil Rights Act (only extended to professionals and the public sector in 1972), have not been given enough time. After all, it has been but a decade and a half that most women have been protected by both statutes. It takes time and practice for employers to learn that they can no longer discriminate against women. Instead of artificially mandating revised pay schedules, perhaps people should concentrate on closing whatever loopholes remain in these landmark laws.

4. Job Evaluation--Out of the Closet

The focus on job evaluation by comparable worth advocates has certainly been salutary. Millions of American workers are classified and paid through systems they are not privy to. Every worker in a large organization using job evaluation should request to see the score-card for his or her position and insist on knowing the criteria by which the relevant "compensable factors" are weighed. Some employees who know how extra points are earned (for confidentiality, say, or supervision) can manipulate their job descriptions to get themselves higher point counts. Other people can not and ought to know what it is about their jobs that is holding them back.

Nor are the schemes in place as precise as some might contend. Many job evaluators will say, off the record, that, in the end, they calculate the points backward. They figure what they are going to have to pay to get a worker in a particular slot, and then organize the point count to fit the salary.

5. Job Assignments

Numerous studies of economic discrimination have pointed out that job assignments are a key factor in women's lesser earnings. If a women is made "coordinator" where a man would be promoted to "director," the problem is not in the "compensable factors" allocated to directing over coordinating. The problem is in the job assignment and job titling process. If we focus on wage anomalies, we may remove the pressure that supervisors should otherwise feel to make unbiased job assignments and titles. This would, in the end, affect women's upward mobility as well.

6. Scope-of-Practice Legislation

So far we have been looking at the evaluation of women's and men's jobs within large organizations--the focus of the comparable worth debate. But there are millions of women in free-standing occupations whose wages are limited by state law. It is state governments, through their scope-of-practice statutes, that effectively put a lid on the amount of money a nurse practitioner, a dental hygienist, or a legal assistant can make--because it is within state statutes and regulations that the rules of their occupations are written. A hygienist commonly cannot clean or treat a client's teeth unless there is a dentist on the premises. Nurses usually cannot prescribe medication without a physician's signature. Legal assistants cannot file papers in court on their own. In many states, psychologists cannot collect insurance payments unless an M.D. signs the forms, and so on.

Since these are fields in which professional women are disproportionately represented, public pressure to revise scope-of-practice rules, within the limits of consumer safety, would do a great deal to raise wages of women in these occupations.

Other policies that would affect both occupational segregation and women's wages would involve improved day care and financial aid to allow women to go back to school and train for better jobs.

Conclusion

Even without comparable worth adjustments, wages are improving for individual women although the aggregate seems immovable today. Women are gaining access to and prominence in occupations that were once closed to them, and where women are in positions of authority and have control over hiring decisions, we find many more women being employed and promoted. Girls have different role models from their mothers. Working women are responding to wage signals. And there is considerable integration of women into the more technical fields, at least at entry level.

There comes a time, perhaps more than once, in every woman's work life when she must decide whether she wants to accept lower

pay, lobby for more money in her current position, or seek another job--even another occupation.

Whether comparable worth would be a cure for sex discrimination or just a palliative to keep women in place is something comparable worth advocates do not always consider. The market is cold and impersonal, but it is where the action is, and will remain. Perhaps, instead of lobbying for comparable worth, women should go where the money is.

Sharon Bernstein Megdal
Sheila Tobias

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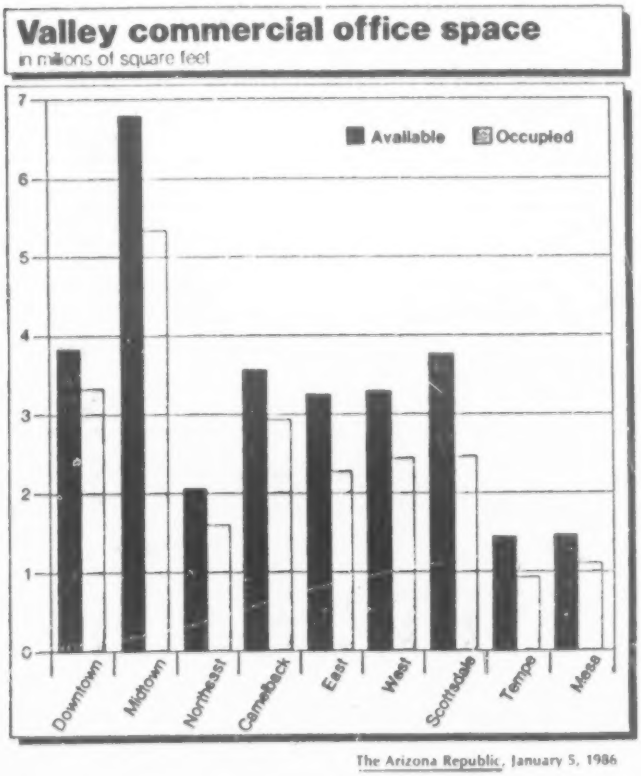
New Developments

CONSTRUCTION - More than 5.4 million square feet of office space was added to the Valley in 1985 and an additional 7.3 million square feet is under construction in 100 buildings, according to a survey by Del E. Webb Realty and Management Company. However, leasing activity was also very high,



with the Valley absorbing 2.83 million square feet of office space in 1985, a 7 percent increase over the 2.64 million square feet absorbed in 1984. Due to the record increase in supply, though, vacancy rates rose to 24 percent in 1985 from the previous year's 20 percent, the survey said.

"Although this vacancy rate appears high, it constitutes only a two to two and one-half year supply, compared to other major overbuilt markets such as Denver and Houston," said Robert McNichols, president of Del E. Webb Realty and Management Company. "In those cities, 24 percent vacancy rates constitute anywhere from a five to 10 year supply." He said he believes 1986 will be another record year for absorption, with totals reaching "somewhere between 3 million and 3.5 million square feet."

Construction on Gateway Park, Patrick Properties' $60 million garden office complex at Central Avenue and McDowell Road, began in February. The 480,000 square-foot project on 8.5 acres is expected to be completed in seven years, with phase I on the southwest corner being ready for occupancy by early 1987. The $24 million phase I will consist of an 125,000 square-foot building and a 70,000 square-foot structure. An aerial walkway has been proposed to link phase I with phase II of the complex, planned for the southwest corner of the intersection. Features of the complex will include a replica of entry gates from Arizona's statehood era, a sculptured fountain, and three glass-bubble elevators. Several marble sculptures have been commissioned and a public art forum, which will allow the Phoenix Art Museum to present more cultural amenities, will be included. When completed, the entire Gateway Square will boast more than 30 pieces of original artwork.

Construction has begun on Greenway Palms, the first residential development of a $500 million planned community in Peoria, called Desert Harbor Joint Venture, on 477 acres near 91st Avenue and Thunderbird Road. The Greenway Palms is a retirement complex that will include 192 condominiums with prices ranging from about $68,000 to $85,000, according to Kate Hansen, spokeswoman for the development. Plans for the larger Desert Harbor call for 2,400 residential living units ranging in price up to $250,000. A resort hotel, shopping center, and a 46-acre lake are also planned. The joint venture is expected to be completed by 1991.

Tucson Construction has been awarded a contract for the construction of Jeffco Incorporated's 70,000 square-foot plastics manufacturing facility in Tucson. Jeffco will be located at the Eastside Commerce and Research Park near 22nd Street and Pantano. Construction of the new facility is expected to be completed by early May 1986. The company will manufacture plastic office products such as report covers and binders for mail order distribution.

RACO Development Corporation begun construction of its $6.5 million RACO Research Plaza in December. The R & D project, located at 1550 West Deer Valley Drive, will contain 120,000 leasable square feet with capabilities to expand to 150,000 square feet of space for large tenants. The project also will offer hangar availability to house two corporate jets, and RACO is working with the city of Phoenix to offer direct taxi-way access to the Deer Valley airport. The plaza, situated on an 8.8-acre site, will be high-tech in design.

LAYOFFS - Intel Corporation laid off 140 more workers in the Valley on January 15. During 1985, they had laid off 215 workers, and this new move will leave the company's local work force at about 2,600. About 40 percent of those laid off were management and professional personnel, 30 percent were technical and administrative staff, and 30 percent were production workers, according to Frank Vaughn, public affairs officer for Intel in Arizona. He added, "Intel went 11 years without a layoff, but now we have had three within a year." The same day as the layoff, the company reported a loss of $15 million for the fourth quarter, and it blamed depressed conditions throughout the semiconductor industry.

The Pinto Valley Copper Corporation in Globe also announced on January 15 that they will terminate 60 of its 245 salaried positions by the end of the month, blaming continued low prices for copper. Joe Bost, manager of administration, said the 60 employees will be given the option of early retirement or voluntary termination. Those who choose termination will receive a maximum of 12 weeks' salary, plus any earned vacation time. Early retirement will carry with it agreed-upon benefits but reduced pensions. One mine employee, who requested anonymity, said that the strongest complaint was that employees were given only a week to decide.

Honeywell Incorporated told 250 of its Phoenix employees on January 16 that they will lose their jobs in two weeks, but that all but 100 of them will likely be hired by Southwest General Industries of California, which is negotiating to buy Honeywell's manufacturing facilities at Metrocenter. The giant electronics company intends to quit making some components for its mainframe computers and start buying them from Southwest after that company buys the Metrocenter facilities and hires about 150 of the 250 former Honeywell workers. All of the job terminations will be in Honeywell's Large Computer Products Division, which employs 3,200 of their total Phoenix-area payroll of about 5,200 people.

The Inspiration Counsolidated Copper Company in Globe also announced on January 16 the impending layoff of 300 hourly and salaried workers in a cost-cutting drive. Richard Sparks, vice president for human resources, said that they are closing the crusher and concentrator and that the production cut is anticipated "for a one-year period at this point." Inspiration has separate contracts with nine unions, and terminations "are controlled by the contract," Sparks said. He added, though, that the vast majority of terminations will be in effect January 22.

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